

CLASSIFICATION **CONFIDENTIAL**

25X1A

Approved For Release 2001/03/17 : CIA-RDP82-00457R0046002

## INFORMATION REPORT

CD NO.

DATE DISTR. 3 APR 50

NO. OF PAGES 1

NO. OF ENCLS.  
(LISTED BELOW)SUPPLEMENT TO  
REPORT NO.

COUNTRY Hungary

SUBJECT Industrial Shortages

25X1A

PLACE  
ACQUIREDDATE OF  
INFO. 25X1A

25X1X

1. At a secret meeting held in the summer of 1949, a director of the section for heavy industry under the Hungarian Five-Year Plan gave a report on the difficulties confronting Hungarian industry. The execution of the plan will be impeded by the following circumstances:
- The new industrial "combine" at Mohacs will not be ready to start operations on schedule in 1953 because of insurmountable difficulties in the production of crude iron, crude steel, and rolling-mill products.
  - There is a serious lack of moulded steel, special-quality moulded iron for machine tools, and heavy forgings.
  - Too many machine tools are over age.
  - There is a shortage of certain machine tools, especially horizontal boring machines, heavy smoothing planes, automatic tool-machines, and fine precision boring machines.
  - There is an insufficient number of skilled laborers, construction engineers, and competent foremen.
  - Great difficulties arise in the supply of those raw materials which have to be imported, such as copper and zinc ball-bearings, ferro-alloys (chrome-nickel steel, chrome-vanadium steel, molybdenum steel), and special tool machines (e.g., for the production of cogwheels). An energetic effort is to be made to obtain these materials abroad.
2. No carbon electrodes are available for the making of aluminum. It has been impossible to obtain electrodes from the Soviet Union, because production there is not large enough to provide a surplus for export. Research is being carried on at the Budapest Technical University, under the direction of Professor Gillemot, on the methods of manufacturing electrodes of the required type.

## CLASSIFICATION

STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRB	DISTRIBUTION								
ARMY	<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> FBI									

**CONFIDENTIAL**

Document No.	7
No Change in Class.	<input type="checkbox"/>
<input type="checkbox"/> Declassified	
Class. Changed To:	TS S (C)
Auth.:	HR 70-2
Approved For Release 2001/03/17 : CIA-RDP82-00457R004600260007-0	009